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THE WHOLE QUESTION OF TAXATION IS REMITTED BY THIS BILL TO THE PEOPLE AND GOVERNMENT OF PUERTO RICO. HERE IS THE CHARTER OF PUERTO RICAN SELF-GOVERNMENT.

SPEECH

OF

HON. CHAUNCEY M. DEPEW,

OF NEW YORK,

IN THE

SENATE OF THE UNITED STATES,

Monday, April 2, 1900.

WASHINGTON.
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SPEECH

OF

HON. CHAUNCEY M. DEPEW.

The Senate having under consideration the bill (H. R. 8245) temporarily to provide revenues for the relief of the island of Puerto Rico, and for other purposes—

Mr. DEPEW said:

Mr. PRESIDENT: I have been listening with great interest to the many and very able speeches which have been delivered upon the Puerto Rican tariff. I have endeavored to find in them a solution of the singular political conditions which seem to have arisen out of the presentation of this measure. I have thought perhaps the fact that the country is divided into storm centers and normally placid conditions is due to the extended discussion of the constitutional question having obscured the real meaning of a measure of revenue and relief.

There is no division among the majority in either House as to the power of Congress to legislate on this subject. The majority all agree that the Constitution does not extend by its own power over these new possessions, and that Congress can legislate for them as it deems wise, subject only to the prohibitions upon Congress in the Constitution. The Democratic party accepted the other view, that the Constitution does extend by its own force into the territories, from the moment that it was invented by John C. Calhoun for the purpose of carrying slavery into the new Territories, when

it was impossible against the aroused conscience of the country to secure legislation to that effect. It is but fair to say that while the action of the country by the unanimous consent of all statesmen and of all parties for fifty years, and the trend of the decisions of the Supreme Court, sustain the power of Congress to take the whole or any part of the Constitution and the laws of the United States into new territories and to establish governments for them, yet the questions raised by the acquisitions of Cuba, Hawaii and the Philippines, when presented to the Supreme Court, must result in such a broad and comprehensive interpretation as will make clear for all time the position of the United States upon the government of territories which come to us.

While the practical part of this measure has received some consideration, yet it has resulted in pictures of Puerto Rico and its inhabitants which are utterly misleading. The lower house of the Iowa legislature the other day adopted a resolution for free trade with Puerto Rico on the sentimental ground that her people had accepted our sovereignty willingly, while other islands were resisting it. The sudden collapse of the Spanish power, and the almost instantaneous dropping into our hands of the island possessions of Spain, found different conditions in these possessions. It is admitted, for instance, that Cuba is to be under our Government only until she is capable of governing herself. We all know that, with the revolutionary elements and professional agitators of that island, if any excuse or opportunity had been offered there would have been a revolt against our authority. We all know that in the Philippines there would have been universal acceptance of government by the United States except that professional agitators, who revolu-

tionized for revenue and had made fortunes in previous revolts, played upon the imagination of an ignorant people and led them into insurrection, hoping the United States would follow Spanish precedents and purchase their allegiance. It is equally true that in Puerto Rico the population is so poor and so crowded, and the conformation of the island makes it so easy for an army to put down insurrection, that, though the same government existed in Puerto Rico as in Cuba and in the Philippines, it was impossible to inaugurate revolution in Puerto Rico. The Puerto Ricans knew that they must come under some government, and after three hundred years of Spain hailed with delight the transfer to the United States.

Puerto Rico has been pictured here and presented to the country as if it were a Vermont, a Massachusetts, a Connecticut or an Iowa, populated by an intelligent and educated people who had instantly grasped the problems of government and the institutions of the United States, and were in all respects fitted to early assume a place among the States of the Union; that prior and preliminary to this statehood they were entitled to every privilege, every law, every constitutional right which belongs to the citizens of the States. Puerto Rico has been described as a bride decorated with flowers and tropical coloring, and in culture, education and training worthy to be the companion and helpmeet of the idealization of the highly developed, liberty-loving, and broad-minded American.

To get a horizontal view of this question we must come back to the testimony of Puerto Rican citizens and foreigners and of the officers of the United States which was given before the Committee on Puerto Rican Affairs. Like judges and juries who see and hear the

witnesses, the members of that committee who, for hours every day during three weeks, saw these witnesses and heard their testimony, received impressions stronger than the cold type of the evidence presents.

Right here I wish to express my profound appreciation of the great ability and conscientious industry with which the chairman of our committee, the senior Senator from Ohio [Mr. FORAKER], has conducted the investigation and the legislative management of this measure.

Puerto Rico is more thickly populated than any country in Europe. It is one of the most fertile territories on earth. From seashore to mountain top it can be cultivated. With capital, enterprise, and modern machinery the possibilities of increase in its productiveness can not be calculated. It is a little over two-thirds the size of Connecticut, but has a much larger population. Its industries are purely agricultural. As in all countries where there are no varied industries, the young men and the young women have no opportunities to engage in different pursuits. Where agriculture is the only occupation of thickly settled communities the conditions of India are repeated, and so there prevails in Puerto Rico a widespread and grinding poverty unknown in Europe or in America. There are, in round numbers, a million people upon the island. Seventy thousand are negroes, 250,000 of mixed negro and white blood and about 700,000 are the result of the settlement by the wild adventurers, of all races and nations, who, in the fourteenth and fifteenth centuries, sailed and fought on the Spanish Main. One hundred thousand of these people can read or write; about 50,000 can do both Nine hundred thousand are in absolute ignorance.

Of this million, 800,000 derive their living from agricultural pursuits. They live in huts, consisting of one room; they have work only during the season for coffee, for sugar and tobacco. The children from ten to sixteen years of age earn about ten cents a day; vigorous manhood receives thirty cents, and old age, again, from ten to fifteen cents. They live on sugar cane and the fruits that grow, and are so cheap, in the Tropics, and it is estimated can sustain life on five cents a day per individual. Most of them have never known bread or meat as it is familiar to our people. They are hired by the day, the contract closing with the sun. By this means the owners of the large estates are free from responsibility for their care or maintenance, a responsibility which would come if the contracts were by the month or by the year. There are no schoolhouses in the island. Thus eight-tenths of this population are ignorant of politics, of government, of Spanish or American rule, and intent only upon the always immediate and exigent necessity of subsistence and life. In the majority of the families the heads are unmarried because they had not the money under Spanish rule to pay the expenses of the marriage ceremony, civil or religious. The 200,000 remaining consist of the landholders, merchants and factors, and of the carriers and skilled artisans in the towns and the small storekeepers in the country.

The island itself consists of two millions of acres. There are 1,200,000 acres in pasture, 181,000 in coffee, 70,000 in sugar, 14,000 in tobacco and the rest is in forests, orchards, gardens and underbrush. The land of the island is owned in 43,000 estates. A large proportion of these owners are Spaniards, English and other

foreigners. The coffee, sugar and tobacco estates are mortgaged for about one-quarter of their value at rates of interest varying from ten to twenty-five per cent. The profits of production are so great, even with the antiquated machinery in use, that with normal crops and with the Dingley tariff in full force, as it has been, against them for the past four years, they were enabled to meet this interest and enjoy as much prosperity as is possible under Spanish rule. The government by Spain was oppressive to a degree. The taxes were enormous, no roads were built, no schoolhouses erected, no public improvements maintained, but these great revenues were dissipated by the Spanish officials. There was no justice in the courts, favoritism and bribery being universal. There was no habeas corpus, and civil rights were not respected. Arbitrary arrests were made and citizens lay in dungeons for years because there was no way by which they could get a trial. The Spanish Government gauged its exactions by the profit of the planter, and managed to take nearly everything that the planter could make which he could fairly call net above maintenance, his own support and the interest upon his debts.

For the five years preceding our occupancy the average yearly value of the exports of the island was $16,000,000, of which $10,000,000 were coffee, $4,000,000 sugar, $700,000 tobacco, and the rest molasses, cattle and hides. Such was the condition of this island when it was occupied by our troops, and submitted to our authority with scarcely a struggle. The introduction of American methods and government were rapidly producing most beneficent results, when a calamity occurred which has no parallel as affecting the whole people of a country.

As will be seen from these figures, the great staple of the island, which employed, in one form or another,

nearly three-quarters of the population and capital, was coffee. The coffee plantations are upon the steep mountain sides, and run from the foothills to the peaks. The coffee berry can not thrive under the tropical sun unless protected by partial shade, and so the original forests which clothed these mountain sides were cleared of underbrush and in its place the coffee-bearing trees were planted. The hurricane which swept over the island destroyed nearly the whole of these plantations. It threw down the forest trees or broke off the branches, and they fell crisscross, producing a network over the coffee bushes which made the farm a wreck. Under the tropical sun the weeds which choke the berries unless kept out began to grow luxuriantly.

The testimony showed that every day added to the danger of the annihilation of the coffee plantation; that in six months most of the coffee-berry plants would be killed, the plantations would have to be planted anew and it would take five years for the plant to reach maturity. The coffee planters, being, all of them, in debt, had no credit and no resources with which to clear off their farms. They had no machinery, but could have worked out the problem by the superabundance of labor with which they were surrounded if they had had the capital to employ it. The hurricane produced very great but not equally disastrous damage upon the sugar and tobacco plantations. So within twenty-four hours 800,000 people were left without any occupation or means of support, and the proprietors without any credit or money with which to clear their farms and employ the laborers who were clamoring for work and starving all about them. I have no hesitation in saying that if the island had not in this distress been under the United States, but had remained under the old

Spanish régime, the amount of suffering and starvation would have appalled the world. But the President and the Secretary of War, acting through General Davis and the officers of the Army, used about $1,000,000 of the emergency fund in feeding these poor people and in preventing one of the ghastliest horrors of modern times.

The suspension of coffee, sugar and tobacco industries reacted upon the people in the towns who lived by handling these products and by furnishing the supplies to the people of the interior. There was paralysis on the one hand of the purchasing power of their former customers, and on the other of the occupations by which they themselves earned a living. With the island in this stricken condition, and the people in this deplorable situation, it was impossible to raise revenues for schools, for roads, for courts, for police or for any purpose of government by direct taxation. The Puerto Rican government must be supported and the means found for the recuperation of Puerto Rican industries and the resurrection of Puerto Rican farms and the salvation of the Puerto Rican people either by taxing the people of the United States, by taking money bodily out of the United States Treasury and pauperizing the island, or by finding a method by which the island itself can secure income and credit. It was when these conditions had become familiar to our committee that we changed our bill from free trade to the tariff measure which is now before the Senate, a tariff measure which is not a Chinese wall, not an oppressive act of arbitrary power, but the most generous and beneficent revenue system ever adopted by any government, because it gives to the island of Puerto Rico not only the duties collected at

her own ports, but the duties collected under our laws at our ports upon products coming from the island.

When Daniel Webster was charged with being inconsistent in his later opinion, he said, "It is the privilege of wise men to change their minds." The members of our committee do not make any special claim to wisdom, but we have considered this question with open minds. The President has an open mind, and in view of the later and overwhelming testimony about Puerto Rican conditions, is satisfied with the solution of them which this measure gives. General Davis, the governor of Puerto Rico, whose ability and fairness no one questions, has an open mind, and after disbursing a million of dollars for the relief of the Puerto Rican people, and becoming personally familiar with their conditions, on March 31—that is, last Saturday—gave this authoritative opinion:

I have not felt it proper for me to discuss Congressional matters, filling, as I do, an executive position. I have expressed my views fully, however, on Puerto Rico's needs, and I might say if Congress should adopt free trade the receipts of the custom-houses would naturally cease. One million five hundred thousand dollars has been collected during the fiscal year. and with free trade this will fall off. What, then, will run the island? Although I have received no official advices regarding an appropriation, I understand through the newspapers that an appropriation was decided upon, and I infer that this appropriation will be spent on insular government expenses. If free trade is adopted I can not see how the necessary funds for the conduct of the affairs of the island are to be raised by myself or those who succeed me. Two million dollars are the present expenses, and this amount will be needed annually. There is only a small revenue incoming from stamps, liquors, tobacco, and mercantile licenses, and it is impossible to collect taxes because of the conditions.

I wish in this connection to congratulate my friend, the honorable Senator from Georgia [Mr. BACON], that he has an open mind. He introduced on Friday our

original bill as a substitute for this one, which shows that my eloquent and able friend is within two months of us. [Laughter.] Within twenty-eight hours this bill is going to pass; the procession is moving on, and he had better get into the band wagon before it is too late. I say to my friend, the Senator from Georgia, and his colleagues, that within twenty-eight hours is the opportunity. There are vacancies on the praying benches for salvation, and they had better come in. [Laughter.]

We come naturally now to the question of hardships upon the Puerto Rican people and of cruelty to the inhabitants of our new possessions by the proposed legislation. We were told with wonderful eloquence and passionate rhetoric when the Puerto Rican relief bill to appropriate $2,000,000 was before the Senate, that it was our plain duty to return to the people who have paid the duties under the Dingley tariff act since our occupation the money which had been collected. The whole policy of the Republican party, from the President to Congress, has been to give back to Puerto Rico all the taxes levied and collected upon her products at the ports of the United States and also all duties collected at her own ports—to give them back to her for the purposes of her government and for the purposes of her improvement and her progress. These duties had been paid by the sugar trust, which controls the sugar products of the island, and the tobacco trust, which controls the tobacco product of the island—two of the richest and greatest money-making corporations in the world. They had bought the sugar and tobacco at a price which included the Dingley tariff duties and sold them to the people of the United States at a large profit after the duties were paid. In the bill which we have just passed appropriating this $2,000,000, instead of

paying these duties back to these corporations, which have been the subject of so much abuse and with whom we have been charged with being allied, we have given them back to the people of Puerto Rico for their schoolhouses, for their roads, for the relief of their starving and for the employment which will come in the proper administration of the fund.

The analysis of the productions of the island which are exported shows that about five-eighths is coffee. There is no duty on coffee, and so there is no outrage there. There is a duty at present of $1.60 per hundred pounds upon sugar and $1.85 per pound upon tobacco under the Dingley tariff act. There are millions of dollars' worth of this sugar and tobacco, owned by the sugar and tobacco trusts, which is held from the market and stored in warehouses in Puerto Rico awaiting the action upon this bill. This sugar and tobacco was bought from the planters of Puerto Rico at a price which included these Dingley tariff duties and still left a large profit for the purchaser. Every concession made from the Dingley tariff is that much more clear profit, not to the producer, or the laborer, or the citizen of Puerto Rico, but to these purchasers of their products. So by this act we are, out of the hundred per cent of additional profit which the sugar trust and tobacco trust would receive under free trade, taking fifteen per cent for the people of Puerto Rico and leaving the purchasers eighty-five per cent for their own income. The only difference between the original recommendation of the President of the United States and the action of the House of Representatives and of the Senate committee is in the method by which the people of Puerto Rico can receive the whole of the revenue from the tariff.

The President's recommendation of free trade was

made in order that Puerto Ricans might have the use of these duties in Puerto Rico by not having to pay them—that is, by keeping the money for public purposes in the island. The proposition of the House of Representatives and of this committee is that those duties shall be collected and returned to the people of Puerto Rico, because it is the only way by which the people of the island will get a dollar of benefit from them. Now, from whom will they be collected? In the last twenty-five years sugar has fluctuated as much as any other product in the market; coffee has been subject to the opening of new sources of supply, to failures of crops and to all those elements which add or take away from 25 to 50 per cent of the market price. But while coffee and sugar importers have grown rich and by their skill, their capital and their far-sightedness been able always to calculate future prospects and to make money, no matter what the conditions, the laborer upon the plantations who produced these crops has never known any difference in his wage. Unhappily for him, the labor market was always overstocked; unhappily for him, there was no industry but the land to which he or his family could apply for help. He was "the man with the hoe," meeting all the conditions of Dr. Markham's remarkable poem. He was too ignorant to know when good times were making fortunes for those who handle the product which he raised by his labor; he was too poverty stricken to subsist in an organized effort to increase the remuneration for his toil. It will be many a year before these conditions change for the masses of the Puerto Rican people. They can never change when an overcrowded population has but one means of livelihood and there are no varied industries for its relief.

Then who pays this tariff, and who gets the benefit of it? For the first time in the history of Puerto Rico it is paid by those who make money out of her, by those who are enriched by her toil, by those who are far removed from the ignorance and the suffering and the squalor of her population. The tariff money taken from them goes really to the people of Puerto Rico who never before received any benefit. It will go for schoolhouses and school-teachers, which will make the next generation worthier of citizenship and self-government; it will go for roads, which will give employment and opportunities for other industries than merely agricultural; it will go for those ordinary functions of government which must be maintained or you have anarchy, and they will be maintained by this process without those burdens of direct taxation which, in the present condition of Puerto Rico, would be such a terrific brake upon her progress.

Now as to the charge that it will stifle the industries of Puerto Rico. Puerto Rican coffee, representing five-eighths of her product and of her labor, will come in free; Puerto Rican sugar and tobacco will come into our ports in competition with the sugar and tobacco of Cuba. Puerto Rican sugar and tobacco, when the Dingley tariff applied equally to both Cuba and Puerto Rico, found a ready and remunerative market in this country. Under the operations of this bill, by which full tariff duties are paid by all others and only fifteen per cent of them by Puerto Ricans, the Cuban sugar man will pay in Dingley tariff duties $1.60 for every 100 pounds, while the Puerto Rican sugar man will pay 24 cents. The price of sugar, because of the enormous demand in this country, which is in excess of the supply, will be maintained.

The Cuban sugar dealer will make a profit after paying $1.60 duty, and the Puerto Rican sugar man will make the same profit with an addition, on account of the concession of 85 per cent to him of $1.36 on every hundred pounds. This will practically give the controllers of the sugar product of Puerto Rico a return of from fifty to eighty per cent on their investment. Precisely the same conditions and precisely the same excess of profit will be the good fortune of the Puerto Rican tobacco producer or dealer under this concession of 85 per cent from the Dingley tariff as against his Cuban competitor. There can be but one result of this concession of 85 per cent to Puerto Rico as against Cuba, and that is an enormous stimulus, on account of the enormous profit, to both sugar and tobacco areas and productions in the island of Puerto Rico.

Bearing in mind these figures and these enormous profits under this concession of 85 per cent from Dingley tariff duties, and still greater profits with free trade, the following opinion from President Havemeyer, of the sugar trust, is a contribution of great importance to this discussion. It settles emphatically in what direction lie the interests of the sugar trust:

NEW YORK BUREAU CHICAGO TRIBUNE,
New York, March 29.

President Havemeyer, of the American Sugar Refining Company, was the center of interest in speculative circles to-day, owing to the cut of 5 cents a hundred pounds announced by the Arbuckles and the possible action of the Havemeyer interests. The sugar king, in discussing the whole situation, was plain and outspoken regarding the position of Puerto Rico and the Philippines, and declared that there was no reason in the world why sugars should not be admitted free of duty from those countries.

"I am much in favor of it," he said, "and I believe the time is not far off when they will be admitted free of duty. Why, both of those countries are part and parcel of the United States, and no matter what action Congress takes, I am confident the Supreme

Court will hold that the products of those colonies are entitled to free entry here.

"There is no more reason why a duty should be placed upon the products of Puerto Rico than on stuff coming into New York from Long Island. There is only a wide ditch between the United States and Puerto Rico. Well, if Puerto Rican sugars are brought in free, it will not be long before some similar policy is adopted with reference to Cuban products."

Here also is the opinion giving Saturday by W. T. Townes, president of the Puerto Rico-American Tobacco Company:

W. T. Townes, president of the Puerto Rico-American Tobacco Company, says that the proposed tariff will keep Puerto Rico out of the American market; that Puerto Rico will sell to Europe, China, and Japan, and not a pound to the United States.

Puerto Rican industrial conditions, because of surplus population, lack of remunerative employment and paralyzing poverty, have thrown the transactions of the island into a few hands. As I have said before, the land is divided into 43,000 estates in a population of 1,000,000 people. The business of supplying the demands of the population, as well as handling the products of the island, is conducted by comparatively a handful of as keen and enterprising business men as there are in the world. Under these conditions they will control the price both of the things which the island consumes and which the island produces until education, intelligence and varied employments have redeemed the island. A startling instance is given of this by cable, which informs us of the rise in the price of food during the last few days. Under the Executive orders of the President all breadstuffs now enter Puerto Rican territory free of duty, and yet the few men who control the supplies which feed the Puerto Rican people and import them from the United States, though they go in absolutely free, have raised the price 100 per

cent to these poor, starving people, who are unable to get any relief. The tariff of 15 per cent if it had been imposed would not raise this price; it would be paid by these dealers. It would amount to four cents a barrel on flour, and to a proportionately small amount on other products, but the vivifying influences of revenue in the hands of an intelligent government and the great profit in the importations would speedily open the way for the farmers of the United States to ship into that market their products in such measure that, while they made money, these exactions could no longer be imposed upon the Puerto Rican people.

Under this bill this tariff lasts only two years, and may be ended by the Puerto Rican legislature at any time. It is a tentative measure; it is wholly for the benefit of the people of Puerto Rico; its proceeds are used for no other purpose than to improve their conditions and enlarge their opportunities. Congress is always in session, and two years will be an object lesson in the experiment of caring for and governing the Puerto Ricans.

The singular thing about this whole matter is the isolation of sentiment. There seems to be a storm center of hostile sentiment in Indiana and none in Ohio; that there is a fever in Minnesota but not in Michigan; that there is great indignation in Oregon and not a particle in New York or Pennsylvania or New England, except Vermont. Why Vermont at this season of the year should melt is one of the mysteries of the phenomena of nature. [Laughter.] It even warmed up my distinguished friend the senior Senator from Vermont [Mr. PROCTOR] into a glowing sympathy and tenderness for free trade as a panacea for a stricken people which I

have seldom witnessed, even with the most emotional of my friends. Why is it?

The history of remedial legislation presents no example of baseless excitement like that which prevails over this measure in certain parts of the United States. The localization of the storm is unprecedented. It has great volume and force in one State, with little evidence of it in the adjoining Commonwealth. A Northwestern State may have the fever, while the Middle States and New England are normal. In every instance in the contests of parties where a principle was at issue, the sentiment of the party in one State has been equally pronounced in every State. This phenomenal localization of interest compels the conclusion that a mere matter of providing means for carrying on government and relieving distress has been exaggerated into an acute struggle over a fundamental principle of right, or morals or both.

This bill is the people's law. It restricts, as far as can be done, the power of trusts or combinations or concentration of industries. It puts upon the free list these products going from the United States into Puerto Rico—the food products from the American farmer—so that the American farmer has this market free as against the agriculture of other countries, whose imports must pay Dingley tariff rates. It gives to the Puerto Ricans the fullest opportunity for cheap food. Agricultural implements, which are so necessary for the resurrection of island cultivation, and the adoption of modern machinery to aid in lower cost and larger crops, are free. Rough lumber for mills, coopers' materials for sugar, molasses and tobacco, and bags for coffee, are free.

Carriages to cheapen transportation and trees and plants to give variety in crops by raising large and small fruits, for which the island is peculiarly adapted, are free, as are all drugs which are used in the malarial diseases of tropical countries. In a word, every product of the farm or factory in the United States which will help Puerto Rico, enable her to rise triumphant from her ruins and give remunerative use for capital and employment and wages to her people, are on the free list. The luxuries consumed by the prosperous are, as they ought to be, taxed for the support of the government.

But this is not all. The whole question of taxation is remitted by this bill to the people and government of Puerto Rico. Here is the charter of Puerto Rican self-government. It is the spear which punctures the huge and swaying balloon of tyranny, oppression and violations of the Constitution and Declaration of Independence so laboriously blown out and expanded in the past few weeks. While standing on the collapsed canvas, and viewing its tragic mottoes, listen to the plain and passionless words of this bill:

SEC. 4. And whenever the legislative assembly of Puerto Rico shall have enacted and put into operation a system of local taxation to meet the necessities of the government of Puerto Rico by this act established, and shall by resolution duly passed so notify the President, he shall make proclamation thereof, and thereupon all tariff duties on merchandise and articles going into Puerto Rico from the United States or coming into the United States from Puerto Rico shall cease, and from and after such date all such merchandise and articles shall be entered at the several ports of entry free of duty; and in no event shall any such duties be collected after the 1st day of March, 1902.

In a word, what is all this contention about? What is the apple of discord which is lashing some friends to

fury? The President proposed free trade, and this bill gives free trade in all the necessaries of life, in all implements and manufactures required for the resuscitation, development and working of industries, and a tariff amounting, on the average, to six per cent upon their market value, on other products.

This tariff comes off by operation of law in two years, and as much sooner as the people of the island, through their own legislature, decide to abolish it because they can raise the revenues necessary for the support of their government, their roads and their schools, and for their general welfare by direct taxation.

The opposition to this bill is the result of the usual tactical operations for advantageous positions in a Presidential year. The Calhoun theory of the Constitution and the century-old fight of free trade to destroy protection have made a united and desperate charge upon the policy and provisions of this measure. The Democratic position in regard to our island territories is clearly defined. They will claim that the moment any territory becomes the property of the United States by conquest, purchase, cession or discovery it is under our Constitution and laws; that its people and products have the same rights and are entitled to the same freedom of movement all over the United States as the people and products of any State in the Union; that statehood must speedily come and can not be denied; that this would break down every protective barrier against pauper labor and admit free into our ports the things produced by people working in our tropical possessions for a few cents a day and would degrade our citizenship, and, therefore, if they get in power they will at once abandon these islands.

The Republican party stands upon the action of Jefferson, Monroe, Jackson, Polk, Pierce and Seward, that Congress has the power to govern these acquisitions subject only to the prohibitions of the Constitution.

I was very much pleased in listening to my friend, the distinguished Senator from Tennessee [Mr. BATE], to find him advocating what Jefferson did and what Monroe did and what Pierce did and what Polk did, because they were all Southerners and all Democrats. At the same time he vigorously opposed precisely the same legislation for our new possessions which they had enacted for territories acquired by them. We stand where Jefferson did and legislate as he legislated; where Monroe did, and legislate as he legislated; where Pierce and Polk did, and legislate as they legislated. But my friend and his associates have wandered far from these old leaders of their party.

I recall for the consideration and admonition of my Democratic friends that story of General Jackson's governorship of Florida, to which he was appointed by President Monroe, under the act of Congress of March 3, 1821, providing "that all military, civil and judicial powers shall be vested in such person and persons and shall be exercised in such manner as the President of the United States shall direct." He claimed and exercised the executive, legislative and judicial functions of government under this commission, and was sustained in them all. As legislature he enacted laws which brought him, as governor, in conflict with the ex-governor under Spain. As governor he promptly arrested and imprisoned that ex-official, and as judge proceeded to punish for contempt the Federal district judge, who had issued a writ of habeas corpus for the

Spaniard's release. It was after all this that he became and has since continued to be claimed as leader, counselor and inspiration for the Democratic party.

Under this power we can and will provide both for the development of our new possessions and the protection of industries and employment within the United States. As time and experience demonstrate the necessity for new laws and changes of existing laws, they will be enacted, but always with intent to maintain the high standard of American citizenship and the scale of American wages. Preferential tariffs will promote trade between the United States and all these islands.

Puerto Rico, Hawaii, Guam, Tutuila and the Philippines are to be held and governed by the United States with an imperative duty on our part to their inhabitants for their civilization, the encouragement of enterprises which will utilize their resources, and for their constantly increasing participation in their local and general governments, and also for their and our commercial progress and growth. I do not believe that we will incorporate the alien races, and civilized, semicivilized, barbarous and savage peoples of these islands into our body politic as States of our Union.

Order, law, justice and liberty will stimulate and develop our new possessions. Their inhabitants will grow with responsibilities of governing themselves, constantly increasing with their intelligence into conditions of prosperity and happiness beyond their wildest dreams of the results of that self-government they now so vaguely understand, while the United States, in the increasing demand for the surplus of our farms and factories in Puerto Rico, Hawaii and the Philippines, and in the tremendous advantages of position from

Manila for reaching the limitless markets of the Orient, can view without apprehension and with hopeful pride the inevitable expansion of our population and productions.

With that belief I hail with faith, I hai. with hope, I hail with joy that expansion of our own country in its products, agricultural and manufacturing, and in its population, which it is evident will go on during the twentieth century. [Applause in the galleries.]

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